



Stockton-on-Tees
BOROUGH COUNCIL

Resources Finance

RISK MANAGEMENT ANNUAL REPORT 2011 - 2012



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LIST OF CONTENTS

- 1. Introduction**
- 2. Stockton's Risk Management Framework**
- 3. Progress update 2011/12**
- 4. Key Issues for 2012/13 and beyond**
- 5. Update of the Corporate Risk Register - Quarter 4 (March 2012)**

Appendices:

Appendix A: Performance Indicators

Appendix B: Corporate Risk Register – Quarter 4 (March 2012)

1. INTRODUCTION

- 1.1 It is impossible for an organisation, whether it is a public or a private body, to achieve effective governance without an awareness of the risks and opportunities it faces in striving to achieve its strategic and operational objectives.
- 1.2 While recognising that the Council has to deliver services in an increasingly risk-averse society, risk management is regarded as a tool for maximising opportunities as well as safeguarding against potential threats.
- 1.3 The Corporate Risk Management process is aimed at identifying, assessing, prioritising and mitigating significant risks which could impact on the delivery of the Council's objectives. This process is now aligned with the Council's key policies and practices and to performance management arrangements.
- 1.4 The framework and process enables the Council to effectively manage strategic decision making, service planning and delivery, contingency and business continuity planning, project and change management, partnership working and health and safety arrangements to safeguard the wellbeing of its stakeholders and increase the likelihood of achieving corporate objectives.
- 1.5 Good risk management practice offers a number of benefits. More particularly, it provides a means of securing and improving strategic, operational and service performance and financial management. It can also help to minimise untoward events which might result in financial losses, service disruption, bad publicity, threats to public health or claims for compensation.
- 1.6 There is a strong and direct link between the effectiveness of the Council's risk management procedures and its overall performance. Additionally, the discipline is an essential element of good management and a sound system of internal control, and therefore necessary to enable the Council to demonstrate that it has robust systems of Corporate Governance.
- 1.7 The cement that binds these components together is ownership – everyone involved in the delivery of Council services must understand the nature of risk and accept responsibility for those risks associated with their area of activity. It is also expected that partner organisations and contractors be able to demonstrate that they too have risk management arrangements in place.

- 1.8 The Risk Management and Insurance Team works proactively to embed the effective management of risk into the Council's processes. This is achieved through the likes of awareness raising exercises, workshops, training, the development of systems and procedures and the provision of supporting guidance material and advice. The function also ensures that risk issues are reviewed regularly at all levels of the Council.
- 1.9 This seventh Risk Management Annual Report summarises key risk management activity that has taken place over the last 12 months. It goes on to outline risk management policies and practices now in place and the key issues that will be addressed in 2012/13. Also included is the latest version of the Corporate Risk Register with amendments made over the final quarter of the year ending 31st March 2012.
- 1.10 The purpose of the report is to demonstrate that on the basis of these processes and the evidence of their effectiveness, it can be concluded that the arrangements for managing risks within the Council are sound and support assurances to this effect in the Annual Governance Statement.

2. STOCKTON'S RISK MANAGEMENT FRAMEWORK

- 2.1 As an organisation concerned with service provision and economic development of the Borough it is essential that the risks to achieving our objectives be managed so that we have the confidence to make decisions with less chance of unwanted surprises.
- 2.2 By effectively managing our risks and the threats and opportunities which flow from them we will be in a stronger position to deliver our business objectives, provide improved services, enjoy better relationships with stakeholder groups and, achieve better value for money.
- 2.3 Risk Management is therefore at the heart of what we do and the Council's risk management arrangements and aims for achieving these objectives include having:
- a clear policy, strategy and procedures that are widely disseminated and understood, and are reviewed periodically to ensure that they are promoting effective practice.
 - effective management of strategic and operational risks, including senior management and members regularly considering and updating the corporate risk register.
 - effective management of directorate risks by management teams through the use of risk registers, including procedures for the escalation of risks that could impact on the achievement of corporate priorities.
 - systems for the consideration and management of risks arising from Council involvement in partnerships.
 - effective management of risks in delivering projects and explicit consideration of risks by senior management and members when making key decisions and initiating significant projects or activities.
 - a clear understanding that risk management is part of the process for finding innovative solutions and is about carefully considering the risks, as well as the benefits they may bring.
 - robust and consistent arrangements for embedding officer and member understanding and ownership of risk management.

- sufficient dedicated resource to support the development of risk management across the Council.
 - integrated links to other corporate processes such as performance management and financial management to prevent risk management being regarded as a periodic, stand-alone, administrative activity separate from day to day management.
- 2.4 Many of the 'building blocks' and linkages required to achieve good risk management are already in place, so the strategy is designed to fill in the gaps and bind the parts together to form a cohesive whole, rather than creating a whole new structure.
- 2.5 Stockton's risk management policy and strategy are kept under regular review to ensure that they are fit for purpose, reflect the business needs of the authority, and remain challenging and responsive to Government direction and requirements.
- 2.6 Strategic risk is concerned with the management of risks to the achievement of strategic (business) objectives. The management of operational risk is dealt with primarily in directorates and concerns the management of day-to-day risks, including the likes of health and safety, professional, human resources, business continuity and environmental risk exposures. These are addressed by the relevant corporate and directorate specific policies and training.
- 2.7 The structures and processes currently employed to manage risk within the Council are as more particularly described below:
- 2.8 The Cabinet Member for Corporate Management and Finance is the Member Champion for risk management and works closely with the Corporate Director of Resources to provide management lead and ensure that corporate risks are identified and managed.
- 2.9 Each directorate/business unit completes a quarterly risk return which provides details of the changes to their risk profile over the previous three months and feeds into the Corporate Risk Register (CRR). The Corporate Risk Manager and his team then work with risk owners where further input and advice are required prior to review by the Risk Action and Corporate Governance Groups.
- 2.10 The CRR sits above the more detailed directorate registers and is a forward-looking evaluation of the Council's most significant risks and opportunities relating to the achievement of its strategic objectives. Every risk/opportunity is allocated to a particular owner or group of individuals that is responsible for reviewing the risk and controls on a quarterly basis in conjunction with their Service Group Management Team. The registers provide a snapshot of the risk universe at the time in question, helping management to make informed decisions.

- 2.11 The Corporate Management Team (CMT) also plays a significant role in the risk management process by undertaking its own quarterly robust review of the CRR before submission to the Audit Committee for final approval and reporting on to full Council.
- 2.12 These methodologies provide for a systematic and consistent approach to identifying corporate responsibility risks and opportunities, reviewing existing controls, setting associated objectives and targets for further risk reduction where possible and, determining appropriate time-bound actions to meet goals and improve performance.
- 2.13 The strategy underpins our approach to risk management both internally and within the wider environment in which the Council functions along with the framework for ensuring that risk management is truly embedded.
- 2.14 The main objective continues to be to manage risks (and benefits or opportunities arising) in accordance with best practice through a culture where responsible, informed and controlled risk taking is encouraged within agreed risk tolerance parameters.
- 2.15 Thus, the profile and engagement in risk management continues to develop in Stockton and the discipline is now integrated into the service policy-making, financial planning and management processes of the Council. Also, there is clear evidence of the contribution that the programme is making to the achievement of corporate objectives, the delivery of innovative projects, targeting of resources and improvement in service delivery.
- 2.16 The Council continues to have nominated members of ALARM, the National Forum for Risk Management in the Public Sector. Membership of ALARM has enabled the sharing of best practice and benchmarking with other public sector organisations.

3. PROGRESS UPDATE 2011/12

3.1 The purpose of this annual report is to provide an update in respect of the Council's approach and current position with regard to risk and opportunity management during the financial year 2011/12.

3.2 The report seeks to provide reasonable assurance that the significant risks to the achievement of corporate objectives have been identified and are being appropriately managed within a comprehensive risk management framework.

3.3 The positive progress in risk management activities during 2011/12 has included:-

3.4 Performance Management/Benchmarking Risk Management Activity.

3.4.1 External Assessments

The abolition of the Comprehensive Area Assessment in 2010 has affected how local authorities are performance managed and assessed by central government. Prior to the changes in government policy; the indicative Use of Resources score for Risk Management was 4 out of 4. In addition, the Annual Audit letter for 2010/11 presented to Audit Committee in November 2011 confirmed that there were robust systems and processes in place to effectively manage financial risks and opportunities. The Council remains committed to the principles and benefits that active risk assessment and management can bring to informed and effective decision making, and is continuing to monitor the situation.

3.4.2 In 2010 the Council commissioned specialist external consultants to carry out an independent objective examination of its risk management programme to determine whether it remained fit for purpose and continued to properly address all aspects of the authority's business activities. Standards were measured against the National Performance Model for Risk Management in the Public Services. This tests the extent to which risk management is having a positive effect and maturity is assessed at one of five levels i.e. risk management is (1) engaging, (2) happening, (3) working, (4) embedded and integrated and (5) driving the Council.

3.4.3 The findings were received in mid-September 2010 and, overall, the Council's maturity standard was assessed at level 4.

3.4.4 The report concluded the results demonstrated that the Council remains at/close to the forefront of best risk management practice in most activity areas covered by the national model, and asserted that there is a very high level of corporate governance assurance in Stockton.

3.4.5 The Council has continued to maintain robust risk management standards and practices throughout 2011/12.

3.4.6 Benchmarking

3.4.7 The Council participates in a regional risk management benchmarking group to compare risk management approaches, practices and performance with neighbouring local authorities and other public sector bodies in the following areas:

- Risk Management Strategy
- Elected Member Involvement
- Corporate Governance
- Risk Identification
- Consultation
- Communication

The survey is also intended to assist the respondents in identifying best practice and thereby advance initiatives within their own organisation, whilst measuring their risk management performance relative to other similar authorities. As well as allowing this peer comparison therefore, members of the group also use it as a development tool to learn and improve.

3.4.8 This exercise is undertaken annually and on this occasion nine authorities participated. Stockton achieved an overall score of 92.89%, thus maintaining its high rating against other participants and continuing to place the Council at the forefront of good risk management practice in the region. The full results of the survey are shown in Appendix A of the report.

3.4.9 As a corollary of the above it is pleasing to report that the Council has suffered no major service interruptions in 2011/12 as a result of failing to identify or manage risk.

3.4.10 Internal Assessments

3.4.11 The corporate risk management function is also subject to regular independent review by internal audit, which is an important measure of the effectiveness of the implementation and operation of the framework. A positive report was issued in September 2010. Overall the audit received a 'Substantial Assurance' rating acknowledging a sound system of internal controls, but with some recommendations that would further strengthen these controls.

All of the recommendations have since been addressed.

- 3.4.12 Each year the Risk Management Section also undertakes an annual survey of client departments across the Council to obtain feedback on their level of satisfaction with the services provided. This is based upon responses to a questionnaire covering 18 elements of the service which are rated on a range of scores between 1 and 5. The current target level of achievement is 4 and this has again been exceeded and improved upon as shown in the latest results included at Appendix A of the report.

3.5 Risk Management Profiling System

- 3.5.1 The maintenance and development of risk registers is an essential element in the implementation of the risk management framework and the development of a risk management culture. Additionally, the ability to produce meaningful reports and statistics in relation to risks is a key element in the provision of assurance. A robust and accessible software system is essential for the satisfactory provision of these facets. The corporate risk management system, MKInsight (MKI), supports the development of a risk management culture through the enhanced functionality the system provides in relation to the management of risks.

- 3.5.2 Configuration and implementation of the new version of the MKI software package released in 2011 presented a significant call on the resources of the risk management team. The loss of a key member of staff, whose post has not been able to be refilled due to the financial position of the Authority, has made progress with this upgrade problematical in the course of the year. However, a full review and reassessment of the use of the system to maximise its effectiveness is now planned to take place in 2012/13.

3.6 Partnership and Project Management Risks

- 3.6.1 Partnership working is having an increasingly important role in service delivery within local government. This carries risks as well as benefits that have to be identified and shared between the organisations concerned, and managed through formal contracts and partnership agreements. The Council has systems for carrying out risk assessments before entering into any partnership and for monitoring and reviewing risks throughout the period of the working arrangements as set out in the Corporate Partnership Guidance Manual. Within this guidance, risk management is considered a fundamental process for ensuring good governance, alignment with services and value for money.

- 3.6.2 Additionally, the Council works with many other parties beyond those neatly falling with the definition of a partnership (an agreement

between two or more independent bodies to work collectively to achieve shared objectives). Therefore, there is a need for wider relationship governance and for the existing framework of assurance and governance to extend to all our significant relationships.

3.7 Project Risk Management

- 3.7.1 The Risk Management Team has continued to provide close risk management support for the Schools Capital Programme following the demise of Building Schools for the Future projects axed by the present coalition government in 2010. This new area of involvement has included providing guidance on developing risk management and insurance solutions for the new academies projects and associated working arrangements, supporting risk moderation assessments and advising on contract insurance and indemnity wordings.
- 3.7.2 Similar support services have also been provided throughout the year to Stockton's outsourced leisure management company, Tees Active Leisure Ltd. Of particular note in this regard are the risk surveys undertaken at the Tees Barrage White Water site both before and after handover of the site from British Waterways and at Billingham Forum following completion of the major refurbishment programme.

3.8 Cleveland Local Resilience Forum

- 3.8.1 The Forum was formed in 2004 and is the body that oversees emergency planning and civil contingencies across the four unitary local authority areas of Stockton, Hartlepool, Redcar and Cleveland and Middlesbrough and is co-terminous with the boundary of Cleveland Police and Cleveland Fire Brigade. It comprises of senior officials representing all Category 1 Responders, as defined in the Civil Contingencies Act, together with key partners.
- 3.8.2 Members of the Forum are tasked to ensure that there is an appropriate level of preparedness for an effective, integrated response to serious or major civil incidents, business interruptions, emergencies or disasters that may have a significant impact upon businesses, the local economy and communities in the Tees Valley region.
- 3.8.3 The Corporate Risk and Insurance Manager represents Stockton on the Local Resilience Risk Assessment Working Group. This sub-group uses subject matter experts to produce a qualitative and quantitative scale against which all identified hazards can be measured. The main focus of the work in 2011/12 has again been undertaking assessments of specific community risk vulnerabilities to meet legal requirements under the Civil Contingencies Act. These are assimilated into the Community Risk Register and used also for the purposes of developing action plans to control and minimise those hazards that may present the most risk to the local community.

- 3.8.4 The work also involves liaising closely with Stockton's Emergency Planning Officer and Service Managers to ensure that the Council has appropriate contingency arrangements in place to properly fulfil its statutory responsibilities.
- 3.8.5 In conjunction with the Cleveland Emergency Planning Unit, the Risk Assessment Working Group (RAWG) has carried out regular reviews of the Community Risk Register since its inception in 2005/6. The RAWG has met at quarterly intervals during the year to amend and update the detailed individual risk sub-category assessments and the latest version of the Community Risk Register is available for viewing on the Cleveland Emergency Planning website.
- 3.8.6 Against the challenging economic backdrop, the Local Resilience Forum adopts a long-term approach focused on both the response plans and clarity over responsibilities. Building robust preventative and contingency plans before events should ensure there is rapid and effective response during events.

3.9 Risk Financing and Claims Management

- 3.9.1 The Council continues to review its risk financing arrangements to ensure that it obtains the most effective balance of external insurance cover and self-insurance.
- 3.9.2 Risk Management and Insurance staff work pro-actively with services to monitor and address insurable risks. Given the current financial pressures facing the Council, and the inevitable impact on service delivery, this need becomes even more vital. The section therefore needs to work intuitively to make sure that any impact on the Council's procedures, policies and actions resulting from budget reductions are identified and addressed expediently to avoid any increases in claim numbers or have an impact on the Council's ability to defend claims.
- 3.9.3 The development of a consortium framework for the procurement of insurance cover in conjunction with Darlington Borough Council in 2008 enabled both authorities to significantly reduce their spend on insurance premiums. The project proved an excellent example of how collaborative working can generate real efficiency savings which cut costs while improving services.
- 3.9.4 A second year fixed term rates guarantee was also negotiated at the time and, in the absence of any significant changes in insurance market conditions, the Council was able to take advantage of the 5 year's long term agreement concession once again when policies were renewed in June 2010, notwithstanding some deterioration in claims experience.

- 3.9.5 However, the winter of 2010/11 proved a significant challenge to the claims team with adverse weather conditions from November to January presenting an almost unprecedented number of own and third party motor vehicle claims, and also a high incidence of property damage claims. Not unexpectedly therefore, the further deterioration in claims experience for the second consecutive year was reflected in the renewal terms received in June 2011. Although, in the event, we were able to prevail on the insurers to maintain existing rates for most insurance classes, inevitably the expiring motor insurance premium was compromised and was subject to an unavoidable increase.
- 3.9.6 Since that time claims experience has improved, although the cost of settling claims continues to rise reflecting higher awards of damages, for personal injuries, repair costs and legal expenses. The improvement in claims experience can in part be attributed to the milder winter conditions which, after two successive prolonged periods of severe weather, have seen a significant reduction in weather related claims. In particular, the milder winter resulted in fewer highway maintenance related claims being received from members of the public, particularly those for damage to vehicles as a result of pothole damage.
- 3.9.7 The Insurance Section has worked with Highways to streamline the processing of highway related insurance claims on the back of departmental savings. Moving forward it is crucial that claims trends continue to be monitored and appropriate actions undertaken where necessary.
- 3.9.8 The better weather conditions in the winter of 2011/12 brought about a reduction in the number of claims for damage to Council owned motor vehicles and buildings, although theft of lead in respect of the latter remains an ongoing issue with the number of such incidents increasing by over 50% compared with previous years.
- 3.9.9 On a more positive note, an analysis of Public Liability claims settled during 2011/12 indicates that although the potential value of claims was in the region of £2.384m, the Council's sound defence and active management arrangements have led to payments of just £447,216 (18.76%). A summary insurance claims comparison is included at Appendix A of the report.
- 3.9.10 In former year's reports, reference has been made to the expected introduction of new legislation to give effect to Lord Justice Jackson's key reforms to civil litigation costs. These were finally confirmed in March 2011 and the anticipated implementation date is April 2013.
- 3.9.11 In general terms the proposed changes are seen as largely favourable to defendant parties such as local authorities, as they are intended to remove the threat of excessive and disproportionate costs associated with 'no win, no fee' type cases. However, the potential costs savings

under the proposed changes are likely to be offset somewhat by the introduction of challenging reductions in timescales allowed for investigating and reaching a decision on liability for Public and Employers' liability claims.

- 3.9.12 Meanwhile, it is pleasing to report that the Ministry of Justice reforms for road traffic accidents, which were implemented in April 2010 and provide only 15 working days to convey a decision on liability, are continuing to be successfully met by the Council and its insurers.

3.10 Self-Insurance Provisions and Reserves

- 3.10.1 Ever since the demise of Municipal Mutual Insurance Company (MMI) in the early 1990's it has been virtually impossible to purchase ground-up cover (cover without excesses) from the insurance market for most risks. The Council has therefore had a self-insurance strategy in place for many years retaining more of its risks in-house by taking voluntary deductibles (excesses) under various policies. This ensures that externally placed insurance covers respond only at higher levels, thus reducing the insurers' exposures to claims. Consequently, they are able to offer significant premium discounts which enable the Council, in turn, to achieve substantial savings and demonstrate a cost-effective balance between self-insurance and external insurance and thus, value for money in its budgets.

- 3.10.2 Internal funds have been set up to meet the self-insured claims and it is essential that these are reviewed at regular intervals to certify that the provisions are sufficient to meet the ultimate financial liabilities. Also, to determine the level of financial injection needed to cover future years' self-retained risks.

- 3.10.3 A full external actuarial review was undertaken in 2010/11 in order to provide a robust and independent view on the adequacy of balances. The assessment gave assurance in compliance with the Institute of Actuaries' Guidance requirements that the Council's financial provisions are adequate to meet known and potential claims and, proposed levels of funding injection for future years retained claims, together with any contingent liabilities likely to be incurred in the foreseeable future.

- 3.10.4 When MMI ceased trading it entered into a Scheme of Arrangement (SOA) with its former mutual members/policyholders in order to guarantee that a solvent run-off of all subsequent claims under the company's policies would ultimately be achieved. To date, the insurer's assets have proved sufficient to meet its liabilities and there has been no call on the SOA. However, doubts have arisen over the company's continued financial security following a recent decision in the Supreme Court in relation to the way in which mesothelioma claims are dealt with under Employers Liability policies. This has the potential to significantly increase MMI's liabilities for such cases now

known and newly reported in the future and, as a result, to trigger implementation of the SOA.

- 3.10.5 In this event, there would be a claw-back of a percentage of all claim payments made to former policyholders since the insurer ceased trading and a requirement to make a proportionate contribution to all future claim settlements under policies held with MMI.
- 3.10.6 The possible implications of the Supreme Court judgement were identified some time ago and therefore, were requested to be specifically addressed in the previously referred to actuarial review commissioned by the Council. In a worst case scenario this estimated Stockton's potential claw-back exposure at circa £1.4m, but confirmed that present levels of self-funding are adequate to meet this liability should it ultimately be incurred.
- 3.11 Other on-going strategic and operational activities of the Risk Management and Insurance Section this year have included:

3.12 Risk Registers

- 3.12.1 The Section has continued to develop risk management policies and procedures and to manage the Corporate and Service Grouping Risk Register review processes, providing advice and assistance with these as required.

3.13 Schools Risk Management

- 3.13.1 The ongoing liaison with the Schools Risk Management Group is proving increasingly worthwhile, but will require a significant additional draw on resources as individual schools progressively look to create and embed a risk management framework within their respective Governing Bodies.

3.14 Annual Governance Statement

- 3.14.1 The Council operates a Corporate Governance Group, which coordinates and monitors the Annual Governance Statement (AGS). Senior Manager's complete Annual Assurance Statements that feed into the AGS and provide confirmation that processes are in place to ensure that controls identified to support the positioning of risks in their risk registers are adequate and working effectively. They also identify any areas of improvement that are necessary together with appropriate action plans to address these.
- 3.14.2 The risk management framework, alongside the Performance Management Framework, Internal Audit and External Inspection processes all provide vital evidence streams which inform the robustness of the Council's governance arrangements.

3.15 Anti-fraud and Corruption Strategy

3.15.1 This is being maintained to help promote a culture which prevents such instances or, where it does occur, detail how it will be dealt with. The Council also operates a whistle-blowing policy to provide a means for fraud and corruption, irregularity and mal-practice to be reported. Additionally this year, anti-fraud training has been delivered to employees based in educational establishments and there is ongoing development and arrangements for publication of anti-fraud leaflets and fraud awareness guidance material for managers and, for the update of information currently on the intranet.

3.16 Business Continuity Plans

3.16.1 Service based business continuity plans have been reviewed, assessed against BS25999 BCM standard and improvements identified. The plans are informed by internal business risks and the external risks are flagged by the Local Resilience Forum's Community Risk Register. The corporate information risk assessment programme currently being rolled out will verify and validate the information aspects of both the corporate and service specific plans. Although additional work is still required in this important area, business continuity is a process of continual review and improvement to maintain services' ongoing awareness of measures needed to ensure that the consequences of any business interruption event is minimised.

3.17 Motor Fleet Risk Management Review

3.17.1 Against the backdrop of deteriorating insurance claims experience in this area of operation, the Council's Transport User Group commissioned an independent review by Zurich Risk Engineering Services covering the following:

- Vehicle management arrangements
- Analysis of claims history
- Vehicle-related policies, procedures and documentation
- Driver management arrangements
- Occupational road risk
- Claims/incident investigation procedures
- Depot security in respect of vehicles
- Current risk management measures

3.17.2 On this occasion, the review focused particularly on the Council's Community Transport Service and information was gathered through interviews with key personnel, examination of records, visual inspections of a sample of vehicles and site visits.

3.17.3 On completion of the study the overall conclusion was that there are reasonably effective risk management systems in place and no

aspects which are considered to be below acceptable or legal standards. However, the report highlighted the need for improvement in areas such as accident and incident investigation and detailed analysis, vehicle reversing skills training, the use of driver aids, control of contractors, the quality of management information, and in relation to producing an up-to-date fully effective driver handbook.

3.17.4 It is evident that the lessons learned from this review have wider application across the whole authority including the grey fleet area (any vehicle used by an employee for making a work-related journey e.g. privately-owned or leased vehicles), and action plans are now being developed to address these requirements.

3.18 Training and Support

3.18.1 Members of the R M & I staff are subject to full Performance and Development Appraisals to ensure continuous personal and professional development in order to improve the quality of advice and assistance provided and to further enhance the risk management framework.

3.18.2 The Risk Management Team, together with specially commissioned external specialists, have continued to promote basic risk management awareness briefings and full Managing Risk and Opportunity training days for members and officers during 2011/12.

3.18.3 The quarterly Managing Risk and Opportunity training courses introduce risk management concepts and explain Stockton's approach by means of relevant case study and worked examples. Feedback from these events has been very positive, with average satisfaction ratings being recorded at over 90%. In addition, a number of constructive suggestions have been made to further enhance risk management procedures.

3.18.4 As has been the practice in previous years, four of these one-day training events were offered during 2011/12. However, demand for the courses has diminished, which situation is attributed primarily to most eligible managers/supervisors having already received the training and, there being few new candidates coming forward due to the present moratorium on new recruitment across the authority.

3.18.5 Notwithstanding the fall-off in attendance, it is intended to continue promoting and making the training available in 2012/13 adopting a flexible approach to delivery according to demand.

3.18.6 The Risk Manager has also delivered various risk briefings and met or communicated with individuals to help identify, assess and manage risks to the achievement of their service objectives. Additionally, in the course of the year there have been a series of locally held workshops and seminars on topical risk management issues provided by ALARM

(The Association of Local Authority Risk Managers) and, more focused training for elected members appointed to the Audit Committee.

- 3.18.7 The risk management site on the intranet has been maintained and updated to provide further advice and guidance and contact details, and all relevant information can be accessed by members and officers. The comprehensive support material available includes Guidance on the Identification and Assessment of Strategic Risks, Risk Management Guidance Notes for Elected Members and Guidance for Elected Members Appointed to Joint/Outside Bodies as well as risk assessment forms and other useful information.

3.19 Funding for Risk Management Initiatives

- 3.19.1 As part of the major re-tendering exercise for external insurance services in 2008/9 an annual premium rebate of around £10,000 was negotiated with the successful insurers. The main objective of this funding is to provide financial assistance for training to promote development and implementation of risk improvement measures across all business activities which will have a beneficial effect on the wellbeing of the Council as a whole.
- 3.19.2 To date this has been expended in part on buying in the services of professional training providers to provide specialist input to courses for members and officers. Further calls were made on the resource in 2011/12 to fund the review of motor fleet management risks referred to earlier in the report, and other initiatives are planned for next year including training for Highway Inspectors, and for officers who may be called to provide witness evidence in court.
- 3.19.3 The Risk Management and Insurance Team continues to drive the risk management processes at corporate and service levels and also provides specific risk management advice and support to a variety of corporate and individual service projects including the following:
- Risk Management planning and support for large scale community events e.g. SIRF/Stockton Weekender, the Infinity Bridge and Cycling festivals, Take to the Tees event, Stockton Summer Show, Golf events, Annual White Water Course activities, Christmas Festival and Specialist Markets etc.
 - Preparing guidance on requirements for legal liability insurance and levels of indemnity for use in partnership and project agreements and contracts with other outside organisations.
 - Advising on risk transfer arrangements under the insurance and indemnity clauses of significant contract agreements.
 - Risk management and insurance advice and support for Academies and arranging Judicial Review Indemnity covers.
 - Undertaking contract pre-qualification questionnaire evaluations.

- Providing support and advice on managing children at risk in play provision at parks and outdoor spaces and for the new wheeled sports initiative.
- Producing risk management section for the corporate Performance Management Framework.
- Providing consultancy services to the Schools' Risk Assessment and Management Group.
- Assisting with the planning and delivery of risk management workshops for ALARM NE Region.
- Conducting post-settlement risk management reviews into issues arising from serious personal injury employers' liability claims.
- Continued monitoring and review of the 12 high level strategic development projects linked to the Council Plan.
- Providing support and advice to the Motor Transport Risk Working Group reviewing the management of council-owned, private and leased vehicles used for business purposes.

3.20 The year has also seen many of the arrangements previously put in place becoming more firmly embedded and, further consolidation of the corporate risk process as a whole.

4. KEY ISSUES FOR 2012/13 AND BEYOND

4.1 The main focus of the R M & I Section in 2012/13 will be the continued development and improvement of the Council's risk management arrangements. This will be achieved through the provision of advice and guidance to Services and the implementation of policies and procedures within the risk management framework.

4.2 The Risk Landscape – potential impact on the Authority

4.2.1 The need for awareness of risk potential and consideration of mitigation becomes even more prominent at times of financial austerity. The overall consideration of strategic, service, partnership and project risks provides the opportunity to establish the most significant risks facing the Authority. At the present time, those risks are clearly aligned with the financial and operational situation and recent reviews have identified some of the key areas as:

- Budget cuts over the next four years – these will inevitably mean considering new ways of working and asset rationalisation.
- Downsizing - with reduced workforce, capacity may be adversely affected through a potential lack of flexibility. Productivity may suffer and expertise may be lost, which in turn can mean a loss of corporate knowledge and culture.
- A fear of redundancy and the impact of potentially higher workloads on those that are left may have additional detrimental consequences, with the possibility of an increase in Employers Liability claim numbers.
- The localism agenda will drive devolution; increase shared services, more partnership working and greater involvement with charities, voluntary groups and small, medium enterprises.
- Managing the supply chain will become more complicated as it becomes more diverse. Equally, the resilience of these partners may be different to our own.
- Effective use of information is becoming increasingly central to the challenges the Council faces, from improving health and child care services, to more efficient online service delivery and protecting the local community from crime and anti-social behaviour and detecting fraud.
- Climate change, weather related issues and carbon footprint remain prevalent and local strategies are required to cope with floods, high winds and other extremes which are predicted to accompany climate change.
- The ageing demographic presents challenges on already limited resources with life expectancies increasing and the baby boom generation born between 1946 and 1964 approaching retirement.

- The Localism Bill and the public Services White Paper will lead to transformation of the way services are delivered, bring power to the lowest possible level in society.
- The MOJ reforms 2012 England and Wales aim to combat the compensation culture, address legal costs and streamline the injury claims process.

4.3 Failing to take a considered, professional approach to such issues risks not only an adverse effect on service delivery, but could also become costly, and threaten to cancel out the very savings the reductions are intended to achieve.

4.4 Future Insurance Costs

4.4.1 Insurance premiums in the UK have remained fairly stable in recent years, but 2011 was an unprecedented year for catastrophic losses globally. This will inevitably impact on reinsurance markets and consequently, there will be renewed pressure for increases in insurance procurement costs in this country.

4.4.2 The commercial motor market is also recognised as having performed badly in 2011, whilst insurance companies generally are continuing to experience lower returns on investments, a rise in the number of fraudulent claims, claims inflation at significantly high levels and, increases in the frequency and severity of weather-related events.

4.4.3 The Council will almost certainly see these current market dynamics, coupled with close scrutiny of its own claims experience influencing renewal terms offered by its insurers in the remaining year of the current Long Term Agreement, and on retendering its external insurance portfolio in 2013.

4.4.4 This, allied to the task of delivering efficiency targets associated with the significant pressure coming from public spending cuts, means that now more than ever, a strong focus on good risk management practices is essential. The situation could also prove a catalyst for further changes to current insurance buying practices and risk financing arrangements and provide new opportunities for regional or consortium purchasing and mutual pooling schemes in the future.

4.5 Self-retained liability claims handling

4.5.1 The Council does not have the in-house capacity and resources to deal with all claims presented against its self-insurance funds. External specialist claims handlers and civil liability lawyers are appointed for this purpose and the current contracts for these functions are due to expire in 2013. Work will therefore be undertaken in 2012/13 in preparation for a competitive tendering exercise for both services so that appropriate arrangements are in place from 1 June 2013.

4.6 Partnership and Procurement Risk Management

- 4.6.1 As already observed elsewhere in this report, increasingly more of what the Council does will be delivered through partnerships with other organisations. Partnerships bring risks as well as opportunities. The Council will not just have dependencies on partners, but also on suppliers or contractors.
- 4.6.2 Procurement is also a key area for focus within the Council. As procurement and commissioning become even more high profile, greater attention will need to be given to managing supply chain risks. In particular, the number of challenges to procurement processes is likely to increase, which could lead to a deterioration in claims experience for Officials Indemnity insurance. These claims are complex in nature and often require specialist legal advice.
- 4.7 Identifying and managing new and emerging risks associated with the changing landscapes will form part of the remit of the Risk Action and Corporate Governance Groups in 2012/13, and any needs for new training and updated guidance in these areas will also be reviewed as necessary.
- 4.8 Additionally, in the new year there are plans to finance advanced training for Highway Inspectors from funding provided by the Council's insurers, whilst risk management training for personnel engaged in key partnerships and officers and managers involved in accident investigation are also under consideration.

4.9 Other issues for the year ahead include

- Effectively supporting the Chief Executive Officer and Corporate Directors in maintaining the Corporate Risk Register and their Portfolio risk registers.
- Implementing the recommendations from the report on the independent Transport Risk Management Review.
- Assessment and management of risks (including insurance placement arrangements) associated with the transfer of Public Health Services to the Council in April 2013.
- Responding to the proposed introduction of the latest reforms to the civil justice system in England and Wales arising from new consultation "Solving Disputes in the County Courts: Creating a Simpler, Quicker and more Proportionate System" and which follows on from Lord Justice Jackson's Review of Civil Litigation Costs in 2011.
- Continuing to review and develop corporate risk management strategy and risk management processes in line with good practice and good governance.
- Ensuring that risk management is used effectively throughout the Council, so that its community ambitions are achieved.

- Further extending and embedding risk management into the school environment.
- Refining and further developing the risk management training programme as appropriate and updating the accompanying guidance material.
- Providing opportunities for training and shared learning on risk management across the Council, including Members and partners.
- Further enhancing and developing the MKInsight software application.
- Considering ways of further assisting Community and Voluntary Groups in improving their risk management practices as required.
- Continuing to obtain assurances in relation to the adequacy of the risk management arrangements of significant relationships with other organisations.

4.10 Assurance

4.10.1 The regular reviewing of service risk registers ensures that the risks identified are relevant and are assessed with mitigations being addressed. The Risk Action Group will continue the rolling programme of detailed reviews of these registers to ensure that approaches to risk identification and treatment are consistent across the Council. In addition these reviews will challenge whether the registers do contain those risk which directly influence the achievement of service and corporate objectives.

5. UPDATE OF THE CORPORATE RISK REGISTER QUARTER 4 – MARCH 2012

- 5.1 The Council's practice of producing and regularly reviewing and updating the Corporate Risk Register is part of an ongoing process designed to identify and prioritise the risks to the achievement of the authority's policies, aims and objectives. It evaluates the likelihood of those risks being realised, the impact should they occur, and records the measures in place to manage them efficiently, effectively and economically to minimise potential adverse outcomes.
- 5.2 At the end of each quarter the Corporate Risk Register (CRR) is refreshed and revised to ensure its continuing relevance to corporate objectives. The previous version of the register recorded the position as at 31st December 2011 when there were 12 risk entries. All Service Groups have been contacted subsequently and their returns show that there have been some changes to the Authority's risk profile over the months in question. More particularly, the levels at which three existing risks were previously rated have been reduced. The rating for one other has fallen below the threshold for corporate reporting and this entry has therefore fallen out of the register. However, there have been no new additions this quarter and thus the total number of significant risks in the CRR at the end of Q4 has reduced to 11.
- 5.3 The recorded changes are as follows:

Service Area	Former Risk No.	Risk Issue	Reason for Change
DNS	1	Continued delivery of the Mandale housing regeneration scheme	The risk ratings for these regeneration projects have been reduced from 20 to 16 to reflect a gradual improvement in the housing recession situation and the effectiveness of management arrangements in place to address the current economic downturn.
DNS	2	Continued delivery of the Parkfield/Nursery Gardens regeneration scheme	
DNS	3	Failure to deliver a successful housing regeneration scheme at Swainby Road	
Corp	9	Unencrypted laptops and other removable storage devices	Encryption software has now been successfully installed on existing devices across the authority and all new hardware acquired in the future will be similarly protected. ICT Services will continue to monitor and enforce the security arrangements which are now considered sufficiently robust to justify removal of the risk from the corporate register.

- 5.4 The other amendments notified for Quarter 4 are confined to minor updates of the general management details for existing entries in the register and of the numbering sequence.
- 5.5 For purposes of record, all of the changes referred to above have been incorporated in the latest version of the Corporate Risk Register which is included at Appendix B of the report.
- 5.6 The updated version of the Risk Register will be made available in the Members' Library and an electronic copy incorporating the supporting risk assessment details (accessed by double-clicking the embedded risk issue logo) is to be placed on the intranet.

PERFORMANCE INDICATORS

1. ALARM North East Risk Management Benchmarking Surveys:

Authority – (Type)	2011/12	Ranking
(A) - Unitary	76.95	9
(B) - Metropolitan	91.24	4
(C) - Unitary	94.61	2
(E) - Police	96.35	1
(F) - County :	87.85	5
(G) – Unitary: Stockton Borough Council	92.89	3
(H) - Unitary	78.78	8
(I) - Unitary	84.06	6
(J) - Metropolitan	79.65	7

2. Customer Satisfaction Survey Results:

Risk Management Services Satisfaction Surveys are currently based on 19 questions with a range of scoring between 1 to 5, with 5 being “Excellent”, 3 “Met Demand” and 1 being “Poor”.

Insurance Services Satisfaction Surveys are carried out on a similar basis, but with questions aligned directly with those of other comparable finance business units, and historic/current feedback results in both areas are as follows:

Service Area	Score					
	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12
Risk Management	4.3	4.4	4.2	4.5	4.6	4.7
Insurance	3.7	4.1	4.5	4.6	4.8	4.8

Insurance Claims Summary

Types of Claims	Nos. of Claims Received			
	2008/09	2009/10	2010/11	2011/12
Public & miscellaneous Liability	362	385	449	301
Employer's Liability	21	16	22	30
Motor Vehicle	188	236	279	146
Property	31	35	54	37
Miscellaneous non-Liability	4	7	12	2
Uninsured Loss Recovery	56	69	47	66
Annual Grand Total	662	748	863	582

RISK IDENTIFICATION & ASSESSMENT							RISK MANAGEMENT					
Service	Corp. Risk No.	Business / Service Objective	Impact Score X Likelihood Score = RISK Score [Risk Score: >20=Catastrophic, 16-20= High, < 16 Medium, Low]				Measures already in place to control risk	Measures planned for next year	Effectiveness of proposed controls	Target Date	Officer Responsible	
			Risk / Issue	Risk Type	Previous Risk Score	Present Risk Score						Risk Category
DANS Housing Regen.	1	HSG3a	Continued delivery of the Mandale housing regeneration scheme http://kjit.stockton.gov.uk/documents/22636/32313/34101/44689/MandaleRegeneration.xls	Professional/ Managerial Environmental Reputation Financial Legal	I = 4 X L = 4 = 20	I = 4 X L = 4 = 16	HIGH	- Housing Board (internal); - Mandale Steering Group (partners); - Technical Group; - Decant: regular meetings with Tristar Homes Ltd and Nomad; - Establishment of more effective PR mechanisms; - Supported Nomad's application for affordable housing bid; - First Buy scheme availability' - Development agreement with Barratts, Keepmoat and Nomad; - Regular briefings with ward councillors; - Regular meetings with finance; - Dialogue with external legal advisor; - In house equity loan to assist relocated home owners to buy again; and - Regular dialogue with Tristar Homes Ltd	Compliance with existing control measures		March 2013	K Linton
DANS Housing Regen.	2	HSG3c	Completion of the Parkfield regeneration scheme. Phase 2: Failure to realise phase 2 of the Parkfield regeneration scheme http://kjit.stockton.gov.uk/documents/22636/32313/34101/44689/ParkfieldRegeneration.xls	Professional/ Managerial Environmental Reputation Financial Legal	I = 5 X L = 4 = 20	I = 4 X L = 4 = 16	HIGH	Phase 1: - Housing Board (internal); - Special PR group looking at site relaunch; - Supported developers application for affordable housing bid; - First Buy scheme availability' - Development agreement with Dunelm and Tees Valley Housing Group; - Regular meetings with finance; and - Dialogue with external legal advisor. Phase 2: - Housing Board (internal); - Monthly meetings with HCA; - Regular meetings with finance; - Appointment of consultant for master planning; - Regular dialogue with Land and Property to ensure sales progress;	Q3 2009-10 Compliance with existing control measures		March 2013	Dave Stamper
DANS Housing Regen.	3	HSG3d	Failure to deliver a successful housing regeneration scheme at Swainby Road http://kjit.stockton.gov.uk/documents/22636/32313/34101/44689/SwainbyRegeneration.xls	Professional/ Managerial Environmental Reputation Financial Legal	I = 5 X L = 4 = 20	I = 4 X L = 4 = 16	HIGH	- Housing Board (internal); - Monthly meetings with HCA; - Regular meetings with finance; - Appointment of consultant for master planning; - Regular dialogue with Land and Property to ensure sales progress; - Regular dialogue with Tristar Homes Ltd	Compliance with existing control measures		March 2013	K Linton

RISK IDENTIFICATION & ASSESSMENT							RISK MANAGEMENT					
Service	Corp. Risk No.	Business / Service Objective	Impact Score X Likelihood Score = RISK Score [Risk Score: >20=Catastrophic, 16-20= High, < 16 Medium, Low]				Measures already in place to control risk	Measures planned for next year	Effectiveness of proposed controls	Target Date	Officer Responsible	
			Risk Issue	Risk Type	Previous Risk Score	Present Risk Score						Risk Category
DANS Housing Regen.	4	HSG3b	Continued delivery of the Hardwick housing regeneration scheme http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/HardwickRegeneration.xls	Professional/ Managerial Environmental Reputation Financial Legal	I = 5 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	- Housing Board (internal); - Hardwick Steering Group (partners); - Technical Group; - Special PR group looking at site relaunch; - Supported Endeavour's application for affordable housing bid; - First Buy scheme availability; - Development agreement with Barratts, Keepmoat and Endeavour; - Final acquisition being dealt with via a land tribunal; - Regular meetings with finance; and - Dialogue with external legal advisor.	Compliance with existing control measures		March 2013	Dave Stamper
CESC Adult Strategy & Children & Young People's Strategy	5	CESC12	Placements for people with Complex needs Overspend in relation to budget due to unpredictability of demand in relation to specialist placements for: - Children who are difficult to place, including adoptive placements; - High cost transitions to adult services - Particular intensive LD placements; and - Having to move children out of the area due to lack of choice over provision. This includes local and out of area placements.	Social Economic Reputational Service Quality Financial	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	Gate keeping via internal Resource Panel and Multi-agency Panel (MAP), and adult multi disciplinary panel. Efficiency, Improvement & Transformation (EIT) review on Children's placements and LD Housing Support.	Original target date of march 2011 has been revised. A key area within this risk is the lack of placements within the borough and the higher costs of out of borough placements. Increasing numbers of referrals continues to place increasing pressure on budgets.		Target Date March 2013	Liz Hanley
CESC	6	CESC7	Finance and resource availability in CESC services CESC funding in comparison to levels and unpredictability of demand. There continues to be significant pressures particularly from Adults services. Overall across CESC previous years managed surpluses and under spends on children's services are maintaining the overall CESC budget for 08/09. For 2009/10 onwards, at a strategic level, we expect to be able to balance the MTFP over the next couple of years though a number of efficiency reviews will need to be carried out within an Efficiency Improvement and Transformation Plan. http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/ResourceAvailability.xls	Professional Managerial Reputation Financial Social Legal	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	Explicit MTFP agreed and monitored on regular basis within service grouping – risks and pressures identified to CMT and Cabinet. Quarterly service reviews undertaken. Service Level Agreements established with providers including in-house services. Health Select Committee have investigated level of Social Care funding allocation. Vacancy control through SGM. Action currently being reviewed for next year includes a freeze on supplies and services (given the savings being generated from smarter procurement) and continuation of savings / staff turnover to enable pressures / growth on areas such as Direct Payments, fostering, child and elderly placements to be accommodated.	Implementation of recommendations of ongoing VFM reviews including FACS Review, LD housing Project, Re-structure of Adult Social Care Teams, EIT Review of Children's Placements. Target date has been extended beyond March 2011. This is due in part to a lack of a full understanding of the impact of the EIT programme and FACS review. Full impact of these pressures will not be fully realised until the latter half of 2011/12.		Target Date March 2013	All HoS
CESC	7	CESC04	School Capital Programme Impact of Comprehensive Spending Review could significantly impact on the ability of the council to take forward modernisation programmes for Stockton's schools. http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/SchoolsCapitalProgr.xls	Professional Managerial Reputation Financial Social Legal	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	Normal controls for agreeing capital budgets and priorities for spending	Interim funding of one year has been allocated by DFE. Priorities are being drawn and incorporated into Capital Asset Strategy. Funding for schools (condition and capacity) is reviewed and prioritised by Schools Capital Programme Team which meets quarterly. However detailed plans remain contingent on further information from government and the outcome of the James Review.		Target Date March 2013	TBC

RISK IDENTIFICATION & ASSESSMENT							RISK MANAGEMENT					
Service	Corp. Risk No.	Business / Service Objective	Impact Score X Likelihood Score = RISK Score [Risk Score: >20-Catastrophic, 16-20= High, < 16 Medium, Low]				Measures already in place to control risk	Measures planned for next year	Effectiveness of proposed controls	Target Date	Officer Responsible	
			Risk Issue	Risk Type	Previous Risk Score	Present Risk Score						Risk Category
CESC	8	CESC20	Failure to effectively deliver the public health agenda. The transfer of Public Health Duties raises a number of complex issues. Poor governance processes coupled with the transfer if poor quality / missing information could create significant difficulties for the Council to fully and effectively discharge its duties to work to improve health outcomes for residents. http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/PublicHealthTransfer.xls	Professional Managerial Reputation Financial Social	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	In light of the current position, there is a lack of clarity over what measures are required to mitigate the risks. The full extent of risk is not fully understood at present and as a result of the uncertainties, should be categorised as high pending detailed assessment.	To be determined		Target Date March 2013	Peter Smith
Corporate	9		The effects and unpredictability of the current economic downturn and global recession on the local economy jobs and residents, and on the ability of SBC to deliver the Council Plan and Strategy. http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/EconomicDownturn.xls	Professional/ Managerial Environmenta l Reputation Financial Legal Environmenta l	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH HIGH	The Council's budgetary preparations, the built in flexibility of the medium term financial and service plans and the progressive implementation of the efficiency, improvement and transformation programme. Use of discretionary housing benefit payments scheme. Working with National Government, regional and local partners to put in place measures to help mitigate some of the effects of the economic downturn. Identifying and utilising all available relief and enterprise funding to mitigate the impact of redundancies by providing advice, support and training to those people affected. Fortnightly meetings between the Association of NE Councils and the regional Government Minister to monitor the economic conditions. Vigilant monitoring and continual review of the economic situation by CMT and Cabinet. Regional funding from ONE to provide financial support to companies experiencing trading difficulties and working closely with other agencies and business partners to develop solutions and practical ongoing support. Pilot skills-swap schemes. The multi-agency TV Housing Recovery Task Force has been established to respond to worsening housing market and to explore and implement means of mitigating some of the effects. Enhanced services from SDaIS for the provision of help and advice to members of the community and wide publicity of local support services through Stockton News and the local media. The positive impact on the local economy of delivering public sector funded schemes e.g. The Infinity Bridge, Splash extension, refurbishment of Billingham Forum, upgrade of the Tees White Water Course.	Numerous Council led and multi-agency strategies have already been implemented. These are being continually enhanced and new ones developed to eliminate the risks where possible, and to reduce those with immutable presence to the lowest possible levels. Vigilant monitoring, tracking and review processes with monthly reporting to the CMT and to Cabinet and active risk management at all service levels.		Reviewed monthly Target Date Indeterminate	Lead Officer - Richard Poundford
Resources	10		Equal Pay / Value Claims Merged with Former Risk 17 - Single Status Significant Financial Impact. Reputation. Employee Relations http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/EqualPay.xls	Professional/ Managerial, Legal, Financial Reputational People	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH HIGH	Single Status Agreement implemented in 2008 and all job evaluation review/appeals completed in June 2010. Systems in place for review of grades as a result of organisational structure reviews and for individual requests for review of their grade. (Management of Organisational Change Policy). Equal Pay Audit to be undertaken on an annual basis, next review March 2011. The Council also implemented new travel arrangements as part of the Single Status Agreement on 1st June 2010.	Continue to defend equal pay claims and where appropriate discuss potential settlement with UNISON solicitors.		Target date Ongoing	Denise McGuire
Resources (HR)	11		Sickness absence High Sickness levels make it difficult to deliver high quality services reliably. http://kyit.stockton.gov.uk/documents/22636/32313/34101/44689/SicknessAbsence.xls	People Managerial, Financial Reputation	I = 4 X L = 4 = 16	I = 4 X L = 4 = 16	HIGH	Accurate reporting including triggered referrals to relevant departments. A new suite of absence reports have been developed that focus on specific issues e.g stress related absence. Bespoke training sessions for service areas where required. Dedicated advisory staff dealing with sickness absence only.	Quarterly review meetings with Occupational Health provider. Contract up for renewal March 2013		Target date Ongoing	Julie Davey